

**Remarks/Arguments**

This Amendment is submitted in response to the Final Office Action mailed February 18, 2009. Claims 1-6 and 36-45 are rejected. In this Amendment, claims 1, 3-6, and 40 have been amended. Claim 46 has been added. No claims have been canceled. It is respectfully submitted that the amendment do not add new matter. Applicants reserve all rights with respect to the applicability of the Doctrine of Equivalents. Applicants respectfully request consideration of the subject application as amended herein.

***Claim Rejections under 35 U.S.C. §103(a)***

The Examiner has rejected claims 1-6 and 36-45 under 35 U.S.C. §103(a) as being unpatentable over Levine (U.S. Patent No. 6,233,566) in view of *In re Venner*, 262 F.2d 91, 120 U.S.P.Q. 193, 194 (CCPA 1958, hereinafter “*In re Venner*”). Applicants respectfully disagree.

Levine describes an exchange system that publishes loans that have already been fulfilled and funded, for sale to buyers in a trading bid (Levine, col. 21, lines 23-40; col. 21, lines 57 to col. 22, lines 37; and figure 23). Sellers post loans or loan pools on the system of Levine, and buyers are able to browse the published offers (Levine, col. 21, line 24 to col. 22, line 4). When a buyer finds a loan or loan pool of interest, the Exchange System enables the buyer and seller to engage in a negotiation for the loan (Levine, col. 22, line 60 to col. 23, line 52).

Claim 1, as amended, recites:

A method for managing loan products on a server, said method comprising the server performing steps of:

receiving by a computer processor of the server a commitment contract, the commitment contract specifying a number of loan products to be fulfilled as a group to satisfy said commitment contract; and

automatically managing by said processor one or more underwriting criteria for said loan products, wherein one of said loan products has a corresponding group of underwriting criteria, and wherein automatically managing comprises automatically evaluating the underwriting criteria, calculating and assigning by said processor a fulfillment grade to a funded loan

based on data stored in a database of funded loans for said loan products, and automatically executing actions to fulfill the commitment contract according to the underwriting criteria with the specified number of loan products, wherein the fulfillment grade is based on a reliability score for data obtained during a fulfillment process including a verification by the processor of an electronic certificate associated with a borrower of the funded loan.

(Emphasis Added)

That is, a method for managing loan products on a server comprises receiving a commitment contract by a computer processor of the server. The commitment contract specifies a number of loan products to be fulfilled as a group to satisfy said commitment contract. Underwriting criteria are automatically managed for said loan products. One of said loan products has a corresponding group of underwriting criteria. Furthermore, the processor calculates and assigns a fulfillment grade to a funded loan based on data stored in a database, including a verification of a borrower's digital certificate. Actions are then automatically executed to fulfill the commitment contract according to the underwriting criteria with the specified number of loan products. Applicants respectfully submit that a combination of Levine and Leapfrog fail to describe or suggest each and every feature as claimed.

Levine describes an auction system that allows sellers to post loans and loan pools on an Exchange System. Buyers can make bids on loans/loan pools placed on the system. Finally buyers and sellers can negotiate electronically via the Exchange System (*See* Levine, Exchange System, columns 21-25). Thus, Levine describes a marketplace for offering, and facilitating negotiations between buyers and sellers.

Claim 1, as amended, recites in part "automatically managing by said processor one or more underwriting criteria for said loan products ... calculating and assigning by said processor a fulfillment grade to a funded loan based on data stored in a database of funded loans for said loan products ... wherein the fulfillment grade is based on a reliability score for data obtained during a

fulfillment process including a verification by the processor of an electronic certificate associated with a borrower of the funded loan." Thus, a fulfillment grade is calculated for, and assigned to, a funded loan and the fulfillment includes verification by the processor of a borrower's electronic certificate. With respect to fulfillment grades for loan products, the Examiner cites Levine at column 3, lines 15-28 and column 20, line 65 to column 21, line 3 (Final Office Action, mailed 2/18/09, page 4). However, in those passages Levine only describes the various actions that a borrower and lender perform, such as sending and processing paperwork, during loan approval to validate terms of a loan (Levine, column 3, lines 15-28). Although Levine describes validating the terms of a loan based on paperwork transmitted between various parties, Levine is silent as to "calculating and assigning by said processor a fulfillment grade to a funded loan based on data stored in a database of funded loans for said loan products," let alone a fulfillment grade that is "based on a reliability score for data obtained during a fulfillment process including a verification by the processor of an electronic certificate associated with a borrower of the funded loan."

The Examiner further notes that under *In re Venner* manual activities may be replaced by automatic or mechanical means (Final Office Action, mailed 2/18/09, page 5). As discussed above, however, Levine fails to describe or suggest calculating and assigning a fulfillment score for a funded loan, which is based on data stored in a database of funded loans. Levine also fails to describe or suggest that the fulfillment grade is based on a reliability score including verification by the processor of an electronic certificate associated with a borrower of the funded loan. Therefore, even if the description of Levine were automated (e.g., *In re Venner*), a combination of Levine and *In re Venner* would fail to describe or suggest each and every limitation as claimed.

Therefore, Applicants respectfully submit that claim 1 is not obvious over a combination of Levine and *In re Venner*. Independent claim 40 includes similar limitations and features as those discussed above with respect to claim 1, and thus is similarly not rendered obvious by a combination of Levine and *In re Venner*. Since the remaining claims depend from one of claims 1 and 40, and include additional limitations and features, the remaining claims are also not anticipated by Levine and *In re Venner*.

With respect to claims 5 and 6, the Examiner further rejects the claims as being directed to nonfunctional descriptive material (Final Office Action, mailed 2/18/09, page 4). Applicants have amended claims 5 and 6 respectively to recite "storing data in the data record ..." and "updating the data record in response to receiving ...." Thus, claims 5 and 6 are directed to processes performed by the claimed method, and not nonfunctional descriptive material. Thus, Applicants respectfully request withdrawal of the rejection of claims 5 and 6 as being directed to nonfunctional descriptive material.

Therefore, Applicants respectfully request withdrawal of the rejection of claims 1-6 and 36-45 under 35 U.S.C. §103(a) as being unpatentable over Levine in view of *In re Venner*.

Newly added claim 46 depends from independent claim 1, and includes additional features and limitations. Thus, claim 46 is also not rendered obvious by Levine and *In re Venner*.

Conclusion

Applicant respectfully submits that in view of the amendments and discussion set forth herein, the applicable rejections have been overcome. Accordingly, the present and amended claims should be found to be in condition for allowance.

If a telephone interview would expedite the prosecution of this application, the Examiner is invited to contact Michael J. Mallie at (408) 720-8300.

If there are any additional charges/credits, please charge/credit our deposit account no. 02-2666.

Respectfully submitted,  
BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

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